GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:5272
ANSWERED ON:28.04.2003
PERFORMANCE TO KHADI GRAMODYOG
C. SREENIVAASAN;M.H. AMBAREESH

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether the Union Government have reviewed the performance of the Khadi Gramodyog during the last three years;

(b) if so, the details thereof;

(c) whether any shortcomings have been noticed during these reviews;

(d) if so, the details thereof; and

(e) the steps being taken by the Union Government to remove these shortcomings?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM)

(a) & (b): Yes, Sir. The Union Government constituted a Committee under the Chairmanship of Shri K. C. Pant, Deputy Chairman, Planning Commission to review the performance of the Khadi Gramodyog and recommend measures for the overall development of Khadi and Village Industries (KVI) programme in the country. The details of major recommendations of the Committee are at Annexure-I.

(c) to (e): Yes, Sir. The short comings, observed during the review by the Committee, mainly related to lack of long term rebate policy, access to working capital, inadequate marketing linkages and infrastructure. Based on the recommendations of the Committee mentioned above, the Union Government announced the `Khadi Package` in May, 2001. the Package inter alia provides for long term rebate policy, conversion of loan into working capital, renovation and modernization of sales outlets, brand building, design and packaging facilities, cluster development etc.